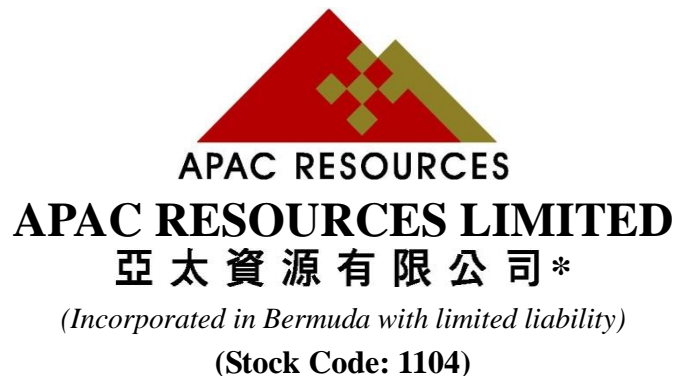


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**INSIDE INFORMATION
AND
PROFIT WARNING**

This announcement is made by the Company pursuant to Rule 13.09 of the Listing Rules and the Inside Information Provisions (as defined under the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Cap. 571, Laws of Hong Kong).

The Board wishes to inform the Shareholders and potential investors of the Company that based on the preliminary review of the unaudited consolidated management accounts of the Group for the 2020 Year and the information currently available, it is expected to record a loss attributable to the Shareholders between HK\$350 million to HK\$500 million as compared to the profit attributable to the Shareholders of approximately HK\$608 million for the 2019 Year.

Shareholders and potential investors of the Company are advised to exercise caution when dealing in the shares of the Company.

This announcement is made by APAC Resources Limited (the “**Company**”) pursuant to Rule 13.09 of the Rules Governing the Listing of Securities (the “**Listing Rules**”) on The Stock Exchange of Hong Kong Limited and the Inside Information Provisions (as defined under the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Cap. 571, Laws of Hong Kong).

The board of directors of the Company (the “**Board**”) wishes to inform the shareholders of the Company (the “**Shareholders**”) and potential investors of the Company that based on the preliminary review of the unaudited consolidated management accounts of the Company and its subsidiaries (the “**Group**”) for the year ended 30 June 2020 (the “**2020 Year**”) and the information currently available, the annual results of the Group for the 2020 Year are expected to record a loss attributable to the Shareholders between HK\$350 million to HK\$500 million as compared to the profit attributable to the Shareholders of approximately HK\$608 million for the year ended 30 June 2019 (the “**2019 Year**”).

The loss attributable to the Shareholders for the 2020 Year is mainly attributable to an expected provision for impairment loss on the carrying value of one of the Group's principal associates comparing to a reversal of impairment loss of HK\$656 million in the 2019 Year.

The information contained in this announcement is only based on the preliminary assessment of the Board with reference to the unaudited consolidated management accounts of the Group for the 2020 Year and the information currently available, which are still under finalisation and subject to the review by the new auditor of the Company. At the date of this announcement, the full year results of the Group's associates have not yet been available and the Company is still reviewing and assessing the fair values of certain financial instruments of the Group as at 30 June 2020. The annual results announcement of the Company for the 2020 Year will be published by the Company within the timeframe stipulated under the Listing Rules.

Shareholders and potential investors of the Company are advised to exercise caution when dealing in the shares of the Company.

By Order of the Board
APAC Resources Limited
Andrew Ferguson
Executive Director

Hong Kong, 28 July 2020

As at the date of this announcement, the directors of the Company are:

Executive Directors

Mr. Brett Robert Smith (*Deputy Chairman*) and Mr. Andrew Ferguson (*Chief Executive Officer*)

Non-Executive Directors

Mr. Arthur George Dew (*Chairman*) (*Mr. Wong Tai Chun, Mark as his alternate*),
Mr. Lee Seng Hui and Ms. Lam Lin Chu

Independent Non-Executive Directors

Dr. Wong Wing Kuen, Albert, Mr. Chang Chu Fai, Johnson Francis and Mr. Wang Hongqian

** For identification purpose only*